



APB RESOURCES BERHAD

(Company No.: 564838-V)
(Incorporated in Malaysia under the Companies Act, 1965)

INTERIM FINANCIAL STATEMENTS

The Directors are pleased to present the Interim Financial Statements for the period ended 31 March 2023

INTERIM FINANCIAL STATEMENTS AS AT 31 MARCH 2023

PART A2 : SUMMARY OF KEY FINANCIAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2023 RM'000	Preceding Year Corresponding Quarter 31 Mar 2022 RM'000	Current Year To Date 31 Mar 2023 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2022 RM'000
1. Revenue	14,010	18,449	33,183	34,395
2. Profit/(Loss) before taxation	244	1,728	1,633	(497)
3. Profit/(Loss) and total comprehensive income for the financial year	201	1,705	1,284	(549)
4. Profit/(Loss) and total comprehensive income for the period attributable to equity holders of the Company	201	1,705	1,284	(549)
5. Basic/(Diluted) earnings per ordinary share (sen)	0.18	1.54	1.16	(0.50)
6. Declared dividend per ordinary share (sen)	-	-	-	-
	AS AT END OF CURRENT PERIOD		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per ordinary share attributable to equity holders of the Company (RM)	1.37		1.35	

PART A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2023 RM'000	Preceding Year Corresponding Quarter 31 Mar 2022 RM'000	Current Year To Date 31 Mar 2023 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2022 RM'000
1. Gross interest income	475	238	896	497
2. Gross interest expense	-	-	(1)	(1)

APB RESOURCES BERHAD
(COMPANY NO.: 564838-V)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31 Mar 2023 RM'000	Preceding Year Corresponding Quarter 31 Mar 2022 RM'000	Current Year To Date 31 Mar 2023 RM'000	Preceding Year Corresponding Year To Date 31 Mar 2022 RM'000
Continuing Operations:				
Revenue	14,010	18,449	33,183	34,395
Cost of sales	(10,859)	(15,462)	(25,645)	(26,202)
Gross profit	3,151	2,987	7,538	8,193
Other income / (expenses)	180	1,971	(69)	(2,539)
Operating expenses	(3,562)	(3,468)	(6,731)	(6,647)
Results from operating activities	(231)	1,490	738	(993)
Interest income	475	238	896	497
Finance costs	-	-	(1)	(1)
Operating profit/(loss) before taxation	244	1,728	1,633	(497)
Tax expense	(43)	(23)	(349)	(52)
Profit/(Loss) from continuing operations	201	1,705	1,284	(549)
Discontinued Operation:				
Result from discontinued operation	-	-	-	-
Profit/(Loss) and total comprehensive income for the financial year	201	1,705	1,284	(549)
Attributable to:				
Equity holders of the Company	201	1,705	1,284	(549)
Minority interest	-	-	-	-
Profit/(Loss) and total comprehensive income for the financial year	201	1,705	1,284	(549)
Earnings per ordinary share attributable to equity holders of the Company:				
Basic/(Diluted) for profit and total comprehensive income for the financial year (sen)	0.18	1.54	1.16	(0.50)

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2022 and the accompanying notes attached to the interim financial statements.

APB RESOURCES BERHAD
(COMPANY NO.: 564838-V)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As At 31 Mar 2023	As At 30 Sept 2022
	RM'000	RM'000
ASSETS		
Property, plant and equipment	39,344	40,192
Right of use assets	17,450	17,677
Other investment	35	35
Total non-current assets	56,829	57,904
Inventories	718	677
Receivables, deposits and prepayments	27,905	31,656
Short-term funds	73,887	64,793
Deposits, cash and cash equivalents	7,659	15,568
Total current assets	110,169	112,694
TOTAL ASSETS	166,998	170,598
EQUITY		
Share capital	112,875	112,875
Treasury shares	(3,262)	(3,262)
Retained earnings	44,580	43,296
	154,193	152,909
Minority interest	-	-
Total equity attributable to equity holders of the Company	154,193	152,909
LIABILITIES		
Deferred tax liabilities	2,216	2,216
Total non-current liabilities	2,216	2,216
Payables, accruals and provisions	9,599	14,650
Borrowings	34	41
Tax liabilities	956	782
Total current liabilities	10,589	15,473
Total liabilities	12,805	17,689
TOTAL EQUITY AND LIABILITIES	166,998	170,598
Net assets per ordinary share attributable to equity holders of the Company (RM)	1.37	1.35

The Condensed Consolidated Statements of Financial Position should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2022 and the accompanying notes attached to the interim financial statements.

APB RESOURCES BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Current Year To Date 31 Mar 2023	Preceding Year To Date 31 Mar 2022
	RM'000	RM'000
Cash flows from operating activities		
Profit/(loss) before taxation	1,633	(497)
Adjustments for:		
Depreciation of property, plant and equipment	1,405	1,490
Interest expenses	1	1
Interest income	(896)	(497)
Net gain on disposal of property, plant and equipment	(47)	(22)
Net loss of property, plant and equipment written off	-	20
Net provision impairment loss of trade receivable	-	2,849
Net fair value gain on other investment	(140)	(40)
Net unrealised gain on foreign exchange	(43)	(12)
Operating profit before changes in working capital	1,913	3,292
Change in inventories	(41)	16
Change in receivables, deposits and prepayments	3,796	(2,651)
Change in payables, accruals and provisions	(5,052)	4,891
Net cash from operations	616	5,548
Interest received	896	497
Interest paid	(1)	(1)
Tax paid	(175)	(43)
Net cash (used in)/ from operating activities	1,336	6,001
Cash flows from investing activities		
Acquisition of plant and equipment, representing net cash used in investing activities	(331)	(850)
Proceeds from disposal of property, plant and equipment	48	31
Purchase of other investments	(9,354)	(7,755)
Proceeds from disposal of other investments	400	100
Net cash (used in) investing activities	(9,237)	(8,474)
Cash flows from financing activity		
Repayment of lease liabilities	(8)	(7)
Net cash (used in) financing activities	(8)	(7)
Net (decrease)/increase in cash and cash equivalents	(7,909)	(2,480)
Cash and cash equivalents at beginning of year	15,568	22,531
Cash and cash equivalents at end of year	7,659	20,051
Cash and cash equivalents comprise:		
Cash and bank balances	6,159	12,398
Deposits placed with licensed banks	1,500	7,653
	7,659	20,051

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2022 and the accompanying notes attached to the interim financial statements.

APB RESOURCES BERHAD
(COMPANY NO.: 564838-V)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Ordinary Share Capital	Treasury Shares	Retained Earnings	Total
	RM'000	RM'000	RM'000	RM'000
At 1 October 2022	112,875	(3,262)	43,296	152,909
Total comprehensive income for the period	-	-	1,284	1,284
At 31 March 2023	112,875	(3,262)	44,580	154,193
At 1 October 2021	112,875	(3,262)	45,808	155,421
Total comprehensive income for the period	-	-	(549)	(549)
At 31 March 2022	112,875	(3,262)	45,259	154,872

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the Year Ended 30 September 2022 and the accompanying notes attached to the interim financial statements.

APB RESOURCES BERHAD
(COMPANY NO.: 564838-V)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A: DISCLOSURE NOTES AS REQUIRED UNDER FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with applicable disclosure provisions of paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Financial Reporting Standards ("MFRSs") 134: Interim Financial Reporting as issued by Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRSs").

The preparation of an interim financial statement in conformity with MFRS 134: Interim Financial Reporting requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since Annual Financial Statements for 2022.

Annual Financial Statements for the financial year ended 30 September 2022 are available from the Company's registered office.

2. Changes in Accounting Policies

The Group's financial statements for annual period beginning on 1 October 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs") issued by the MASB and International Financial Reporting Standards ("IFRSs").

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Company's Annual Financial Statements for the financial year ended 30 September 2022 was not subjected to any qualification.

4. Comments about Seasonal and / or Cyclical Factors

The Group's business operations are not materially affected by any major seasonal or cyclical factors.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial year-to-date.

6. Material Changes in Estimates

There were no material changes in estimates of amount reported in prior financial year that have a material effect on the current quarter and financial year-to-date.

7. Issuance and Repayment of Debt and Equity Securities

There were no issuance or repayment of debt and equity securities during the current quarter and financial year-to-date.

8. Dividend

There were no dividend proposed or paid during the current quarter and financial year-to-date.

9. Segmental Information

Business Segments

	<u>Fabrication</u> RM'000	<u>Others</u> RM'000	<u>Elimination</u> RM'000	<u>Consolidated</u> RM'000
Financial Year Ended 31 Mar 2023				
Revenue				
Total external revenue	33,183	-	-	33,183
Inter-segment revenue	-	-	-	-
Total segment revenue	33,183	-	-	33,183
Results				
Segment profit/(loss)	989	(251)	-	738
Add: Interest income				896
(Less): Finance costs				(1)
Operating profit before taxation				1,633
(Less): Tax expense				(349)
Profit for the period				1,284

Please refer to Notes No. 15 and No. 16 below for an analysis of the performance of the business segments of the Group.

10. Subsequent Material Events

There were no material events subsequent to the end of the current quarter.

11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year-to-date.

12. Contingent Liabilities

There were no material contingent liabilities for the Group as at the date of this announcement.

13. Capital Commitments

There were no significant capital commitments as at the end of the current quarter.

14. Significant Related Party Transactions

Related party transactions for the current quarter and financial year-to-date are as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2022</u> RM'000	Current Year To Date <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2022</u> RM'000
Peng Fah Engineering Sdn Bhd - For rental of factory premises	394	319	713	638
TTS Resources Sdn Bhd's subsidiary companies:				
TTS Transport Sdn Bhd - For transportation charges	4	23	20	34
TTS Insu-Write Services Sdn Bhd - For marine cargo and general insurance	147	162	169	185
TTS Engineering Sdn Bhd - For services rendered on minor fabrication works and rental of factory premise	13	53	21	60
TTS Enterprise Sdn Bhd - For maintenance of equipment	2	0	3	2

Mr. Yap Swee Sang and Mr. Yap Kau @ Yap Yeow Ho are substantial shareholders and Directors of TTS Resources Sdn Bhd.

PART B: EXPLANATORY NOTES PURSUANT TO LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15. Review of Performance

The second quarter (2Q23) revenue decreased by 24.0% from RM18.4 million in 2Q22 to RM14.0 million, however, gross profit margin improved from 16.2% to 22.5% during the period mainly due to product mix and smaller number of projects completed. Consequently, profit after tax dropped from RM1.7 million in 2Q22 to RM201K largely on lower revenue.

16. Review of Current Quarter's Results against Preceding Quarter's Results

Revenue decreased by 26.9% from RM19.2 million to RM14.0 million in 2Q23, while gross profit margin was almost flat at 22.5%. Profit after tax dropped from RM1.1 million last quarter to RM201K for the current quarter.

17. Prospects

The outlook is improving with signs that capital spending in the fabrication sector has started to pick up.

18. Variance of Actual and Forecast Profit

There was no profit forecast or profit guarantee announced during the current quarter and financial year-to-date.

19. Profit/(loss) for the Period

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2022</u> RM'000	Current Year To Date <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2022</u> RM'000
Profit/(loss) for the period is arrived at after crediting/(charging):				
Depreciation of property, plant and equipment	(700)	(752)	(1,405)	(1,490)
Finance costs	-	-	(1)	(1)
Interest income	475	238	896	497
Net gain/(loss) on foreign exchange	91	79	(279)	102
Net impairment losses on trade receivables	-	1,814	-	(2,849)
Net gain on fair value of other investment	79	37	140	40
Net (loss) on property, plant and equipment written off	-	-	-	(20)

Save as disclosed above, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad are not applicable.

20. Tax Expense

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Quarter <u>31 Mar 2022</u> RM'000	Current Year To Date <u>31 Mar 2023</u> RM'000	Preceding Year Corresponding Year To Date <u>31 Mar 2022</u> RM'000
<u>Tax Expense</u>				
Current year	(43)	(23)	(349)	(52)

21. Unquoted Investments and/or Properties

The Group has not made any investment in or disposed of any unquoted investments and / or properties during the current quarter and financial year-to-date.

22. Quoted and Marketable Securities

The Group has not made any investment in or disposed of any quoted and marketable securities during the current quarter and financial year-to-date.

23. Group's Borrowings

The Group's borrowing as at the end of the reporting period are as follows:

	As At 31 Mar 2023 RM'000	As At 31 Mar 2022 RM'000
Borrowings		
Lease liabilities	34	49
Total borrowings	<u>34</u>	<u>49</u>

24. Changes in Material Litigation

Neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration, either as plaintiff or defendant, which has a material effect on the financial position of the Company or any of its subsidiaries, and the Board is not aware of any proceedings pending or threatened, or of any fact likely to give rise to any proceedings, which might materially and adversely affect the position or business of the Company or any of its subsidiaries.

25. Earnings/(Loss) Per Share

Basic earnings/(loss) Per Ordinary Share

The calculation of basic earnings/(loss) per ordinary share was based on the loss attributable to ordinary shareholders and the weighted average number of ordinary shares, calculated as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	Current Year Quarter <u>31 Mar 2023</u>	Preceding Year Corresponding Quarter <u>31 Mar 2022</u>	Current Year To Date <u>31 Mar 2023</u>	Preceding Year Corresponding Year To Date <u>31 Mar 2022</u>
Profit/(Loss) Attributable To Ordinary Shareholders (RM'000):				
Net (loss)/profit attributable to ordinary shareholders	201	1,705	1,284	(549)
Weighted Average Number Of Ordinary Shares ('000):				
Issued ordinary shares at beginning of period	112,875	112,875	112,875	112,875
(Less): Effect of treasury shares held	(1,990)	(1,990)	(1,990)	(1,990)
Weighted average number of ordinary shares	<u>110,885</u>	<u>110,885</u>	<u>110,885</u>	<u>110,885</u>
Basic earnings/(loss) per ordinary share (sen)	<u>0.18</u>	<u>1.54</u>	<u>1.16</u>	<u>(0.50)</u>

26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board on 19 May 2023.

By Order of the Board of Directors
APB RESOURCES BERHAD (564838-V)

CHEOK KIM CHEE (MACS 00139)
Company Secretary
19 May 2023